

The Director of Central Intelligence Washington, D.C. 20505

National Intelligence Council

6 August 1984

MEMORANDUM FOR:

Director of Central Intelligence

Deputy Director of Central Intelligence

FROM:

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National Intelligence Officer for Warning

SUBJECT:

Monthly Warning and Forecast Meetings for July 1984

1. Summary of key warning issues:

USSR

We continue to believe that the USSR might take actions designed to embarrass the US below a threshold of deliberate superpower confrontation. Danger areas continue to be Central America, Berlin, the Arabian Gulf and Pakistan.

Stable Soviet leadership is an important ingredient in any such scenario. therefore, we continue to evaluate Chernenko's position.

he has had publicized spells of weakness and probably must follow a limited work schedule. Chernenko will probably suffer other related health problems, but even in his present state, he is probably incapable of providing real leadership. Limited work hours limit his capability to run the state apparatus and shape decisions. His limited acumen and physical frailty make it unlikely that he can dominate either the Politburo or the Secretariat.

<u>India/Pakistan</u>

We cannot rule out the possibility that Pakistan will be able to test a nuclear device within a year, but our best technical estimate suggests that production of weapon-significant quantities of fissile material will not be possible for at least two years. Some parts of the Indian government apparently view a Pakistani nuclear threat as imminent and it is our view that a preemptive military strike by India is a near-term possibility.

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The recent increases in tension between India and Pakistan could be a precursor to military action by India.	
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An Indian attack on Pakistani nuclear facilities would almost certainly prompt retaliatory attacks against Indian nuclear facilities and would probably lead to full-scale war.	_
We could have very little additional political or military warning of an attack on Pakistani facilities.	
Nicaragua	
There is little additional evidence of MIG-21 deliveries in September/October, but there is new data on the potential delivery of five L-39 jet trainers to Nicaragua from Libya by a Bulgarian ship. L-39s are combat-capable aircraft that would be useful in a counterinsurgency role and in attacks on ground targets in neighboring countries as well as in a limited air defense role. These aircraft may fulfill Nicaragua's announced determination to acquire aircraft, yet be below the threshold of the US demarche.	
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Yugoslavia

The domestic situation has deteriorated somewhat over the last few months. International financing through 1984 is assured and Yugoslavia is fulfilling IMF conditions, but these measures are depressing living standards and have produced complaints about inequitable burdensharing in Croatia and Serbia. The June Party Plenum postponed decisions on more fundamental economic reforms and on the imposition of national party discipline on regional party bodies. The situation will probably get worse before it can start getting better.

The new members of the Federal Presidency are more ambitious leaders who are addressing the critical issues more openly. Military leaders who have been openly critical of past political leadership may be withholding judgment or may be divided among themselves.

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The Soviets have muted their earlier criticism of Yugoslavia, but they will surely maintain pressure to deter Yugoslavs from adopting domestic or foreign policies abhorrent to them.

Iran-Iraq

Iran's military preparations for an attack include a readiness to cross the Shatt Al-Arab, but given the Iraqi defenses and extensive flooding in the area, an Iranian attack would likely incur very high casualties. There are continuing indications of delay based on political decisions in Tehran. Discussion still probably hinges more on how and when to launch an attack rather than whether to attack.

El Salvador

The major offensive planned by the insurgents has probably slipped from August to September. They are apparently experiencing difficulties coordinating plans, training new recruits and may be having supply and logistical problems.

Narcotics

The diversion of legitimate pharmaceuticals and precursor chemicals continues to be the main source of international trafficking in dangerous drugs such as stimulants, depressants and hallucinogens. Chemicals are diverted from legitimate European pharmaceutical companies through areas such as Switzerland and the Hamburg Free Trade Zone to clandestine labs in Latin America. These "tablet factory" labs process and then ship the drugs to the US and other countries. Because of drug enforcement efforts, we expect an increasing trend in the use of substitute chemicals for drugs sent to the US that will make enforcement efforts more difficult and increase the threat from dangerous drugs over the next year.

2. Trend Commentary

USSR/Afghanistan/India/Pakistan

In January 1984, Afghan aircraft attacked refugee camps in Pakistan. The Warning and Forecast memo for February stated that a Soviet media campaign was designed to incite Indian animosity towards Pakistan. Although most analysts doubted that these events indicated a new phase of Soviet involvement in South Asia, we warned the situation needed careful observation. Now, Moscow and New Delhi are exerting increased pressures against Pakistan and although the Indians have their own grievances against Pakistan, they are almost certainly being encouraged by the Soviets who appreciate the difficult problem for US policymaking. The trend continues toward greater Soviet military efforts in Afghanistan and greater involvement in Pakistani/Indian affairs.

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Nigeria

The situation in Nigeria continues to deteriorate. There is plotting by junior officers and a shuffle of senior officers could take place at any time. We continue to believe that junior and middle-grade officers will attempt to overthrow the Buhari government within the next six months.

Tunisia

The bread riots in January vented a considerable amount of public dissatisfaction, but the underlying causes of dissatisfaction--economic stagnation and political corruption--remain. While there is no specific immediate issue to spark trouble in the months ahead, the major actors in any disorders will be Islamic fundamentalists.

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4. Comments of June Collection Issues: Nicaragua additional deployments of EW/GCI radars were noted during July, further improving the Nicaraguan air defense position. On 19 July, the first GCI operation consisted of the intercept of a US C-130 reconnaissance aircraft by two Nicaraguan T-33 aircraft. Although this incident demonstrated only a limited EW/GCI capability, the Nicaraguans are obviously making efforts to become more proficient, which would be important before the introduction of high performance aircraft.	25X1
Gandhi has apparently been told by intelligence advisors that Pakistan has or is accumulating sufficient fissile material to produce a small number of nuclear weapons. Other Indian government and military officials are greatly disturbed over the Pakistani nuclear program, as well as over a perceived intensification of Pakistani posturing against India.	25X1 25X1
David Y. MoManis	·

Attachments:
Monthly Warning and
Forecast Meeting Reports

